

ANNUAL BUDGET NXUBA MUNICIPALITY



2014/15 TO 2016/17 MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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TABLE OF CONTENTS

PART 1 - ANNUAL BUDGET

1.1 SPEAKER/MAYOR'S REPORT.....	3
1.2 COUNCIL RESOLUTIONS	4
1.3 EXECUTIVE SUMMARY	5-6
1.4 ANNUAL BUDGET TABLES	8-17

PART 2 – SUPPORTING TABLES

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS	18-20
2.2 OVERVIEW OF ALIGNMENT ANNUAL BUDGET WITH IDP	21-22
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS	23-24
2.4 OVERVIEW OF BUDGET RELATED POLICIES	24-25
2.5 OVERVIEW OF BUDGET ASSUMPTIONS	26
2.6 OVERVIEW OF BUDGET FUNDING	26-27
2.7 EXPENDITURE ON GRANTS AND RECONCILIATION OF UNSPENT FUNDS	28-29
2.8 COUNCILLOR AND EMPLOYEE BENEFITS	30-31
2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW	32
2.10 CAPITAL EXPENDITURE DETAILS.....	33-35
2.11 MUNICIPAL MANAGER'S QUALITY CERTIFICATE	37

PART 1 ANNUAL BUDGET

1.1 SPEAKER/MAYOR`S REPORT

The budget of the municipality is the plan which gives effect to strategic priorities. Maximizing service delivery to the community within the constraints of the limited resources. With the limited resources the municipality strives to deliver services to the community. The IDP determines and prioritizes the needs of the community and budget is used as a tool to implement the IDP. The 2014/15 operational and capital budget has been prepared in accordance with the IDP.

The municipality will implement the following capital projects in the 2014/15 financial year:

- Wanderers Sport Field
- Nonzwakazi Polar Park sports fields
- Multipurpose Centre in Goodwin Park
- Installation of electrical infrastructure
- Re-surfacing of roads in Bedford
- Re-surfacing of roads in Adelaide
- Re-gravelling of roads in red township

The municipality strives to create employment opportunities and alleviate poverty by means of EPWP programmes and internships. Small town revitalization programme is an area in which the municipality will explore which will create jobs, improve economic growth and develop the area.

In conclusion delivering services to the community and obtaining a clean audit report is vital to the municipality.

.....

HONOURABLE SPEAKER/MAYOR

Councilor Louisa Leonora "Dolly" Bruintjies

1.2 COUNCIL RESOLUTIONS

On 16 May 2014 the Council of Nxuba Local Municipality met in the Council Chambers of Nxuba Local Municipality to consider the annual budget of the municipality for the financial year 2014/15. The Council approved and adopted the following resolutions:

1. The Council of Nxuba Local Municipality , acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

1.1. The annual budget of the municipality for the financial year 2014/15 and the multi-year and single-year capital appropriations as set out in the following tables:

1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in A2 page 8 ;

1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in A3 on page 9 ;

1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in A4 on page 10 ; and

1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in A5 on page 11

1.2 The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

1.2.1 Budgeted Financial Position as contained in A6 on page 12;

1.2.2 Budgeted Cash Flows as contained in A7 on page 13 ;

1.2.3 Cash backed reserves and accumulated surplus reconciliation as contained in A8 on page 14

1.2.4 Asset management as contained in A9 on page 15

1.2.5 Basic service delivery measurement as contained in A10 on page 16

2 The Nxuba Local Municipality , acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2014:

2.1 the tariffs for property rates – as set out in Annexure A

2.2 the tariffs for electricity – as set out in Annexure A

2.3 the tariffs for solid waste services – as set out in Annexure A

1.3 EXECUTIVE SUMMARY

The 2014/15 to 2016/17 Budget preparation commenced in August 2013 after Council approved the IDP/Budget Process Plan. The Budget comprises of both Operating and Capital Budget, which is a requirement of the Constitution and the Municipal Finance Management Act (MFMA). The capital budget consists mainly of the Municipal Infrastructure Grant funded projects, for new and replacement of assets. The Operating Budget is the largest component of the budget, personnel costs and bulk purchases taking up the largest portion of the budget. The budget on repairs and maintenance is 2% of the budget this is petite; due to the poor state of the municipal assets, repairs with municipal revenue would not be able to do justice. In the 3 year capital plan, the municipality will invest in new and renewal of assets to ensure the old assets are also in a good condition.

In preparation of the 2014/15 MTREF budget the municipality utilized the national treasury circular 72 which guides municipalities in the preparation of their budgets. One of the key focus areas for the budget process is to reprioritization of expenditure relating to core infrastructure. While preparing the annual budget the municipality experienced the following challenges:

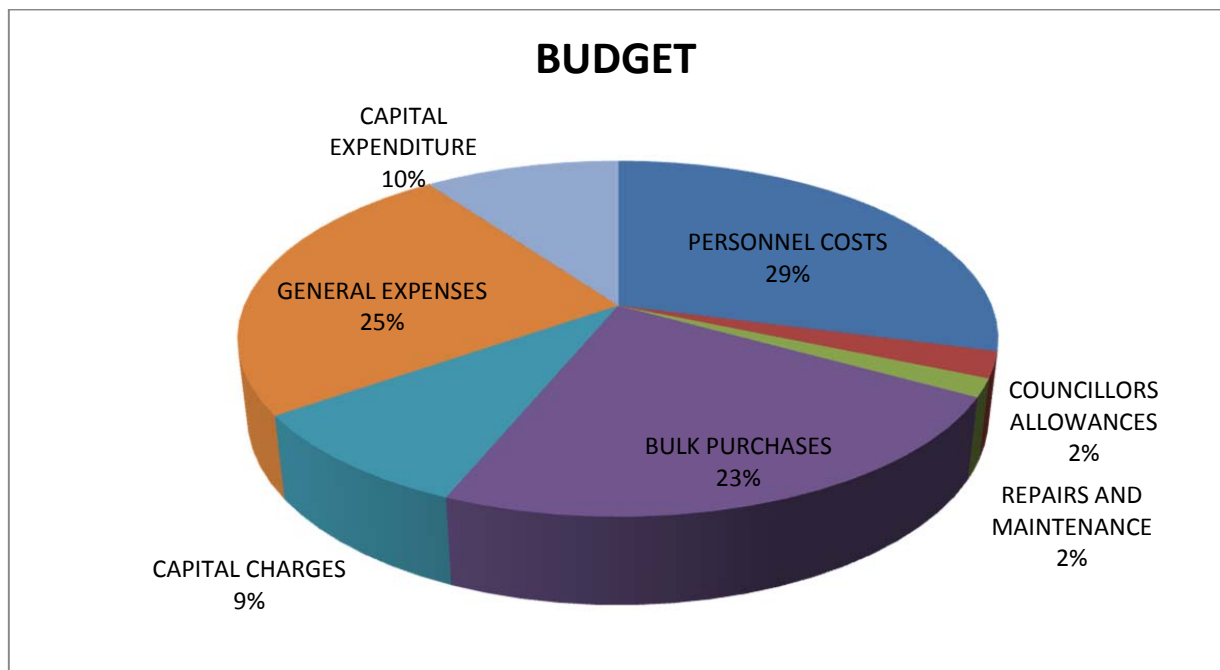
- Economic problem: limited resources and unlimited needs
- Funding for accruals at year end
- Poor recovery system

The adjustment budget and cash flow has been used as baseline for the preparation of the annual budget. The largest source of revenue are grants and transfers as well as own revenue from rates, service charges, rentals and other revenue. Strategies have be put in place to ensure the municipality generates more revenue; with regard to electricity the municipality is operating at a loss instead of a gain and this negatively affects the cash flow; this results in the inability to pay creditors. Tariffs such as rates and refuse removal will be increased by 6.2% (CPI) and electricity tariffs will be increased by an average of 8%.

The following inflation forecasts have been used in the preparation of the annual budget:

2014	-6.2%
2015	-5.9%
2016	-5.5%

Operating budget is R92 381 140, which constitutes of personnel costs at R 29 009 826, repairs and maintenance R 1 520 000, depreciation and provision for bad debts R 17 105 553, general expenses R35 513 310 and capital budget R9 144 095. The municipal budget has a deficit due to implementation of GRAP 17.



Revenue amounts to R75 275 588 comprising of R 37 608 000 from grants and R37 667 588 which will be internally generated. In the 2013/14 financial year the municipality failed to implement the capital projects as budgeted for in that year, due to incompleteness of the previous year's projects. The projects of the 2013/14 financial year will be implemented in the 2014/15 financial year.

ANNUAL BUDGET TABLES-BUDGET SUMMARY

The 'standard classification' refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities approve a budget in one common format, to facilitate comparison across all municipalities

EC128 Nxuba - Table A1 Consolidated Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Financial Performance										
Property rates	2,600	2,823	3,094	2,421	2,421	3,110	3,110	3,303	3,498	3,690
Service charges	16,480	17,935	18,912	25,545	25,545	20,671	20,671	21,052	22,294	23,520
Investment revenue	-	84	2,708	-	-	-	-	150	159	168
Transfers recognised - operational	20,800	21,702	24,792	28,106	28,086	28,086	28,086	28,157	29,486	29,384
Other own revenue	7,648	5,841	7,073	4,533	2,633	6,485	6,485	9,959	10,576	11,575
Total Revenue (excluding capital transfers and contributions)	47,529	48,386	56,579	60,605	58,685	58,352	58,352	62,621	66,013	68,337
Employee costs	16,523	16,319	20,842	22,420	21,887	21,485	27,959	26,830	28,547	30,374
Remuneration of councillors	1,303	1,868	2,032	2,473	2,424	1,957	1,957	2,180	2,307	2,447
Depreciation & asset impairment	-	8,452	8,366	8,452	8,452	8,452	8,452	8,366	8,366	8,366
Finance charges	482	-	337	-	-	-	-	-	-	-
Materials and bulk purchases	12,787	17,506	19,732	19,242	17,942	17,942	17,942	21,445	22,710	23,960
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	14,535	24,623	15,299	24,801	25,504	25,504	24,202	24,416	24,691	24,449
Total Expenditure	45,630	68,768	66,608	77,388	76,209	75,340	80,511	83,236	86,620	89,595
Surplus/(Deficit)	1,899	(20,382)	(10,029)	(16,783)	(17,524)	(16,988)	(22,160)	(20,615)	(20,608)	(21,258)
Transfers recognised - capital	3,663	7,010	10,184	11,136	11,136	11,136	11,136	9,451	9,608	9,830
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	5,562	(13,373)	155	(5,647)	(6,388)	(5,852)	(11,024)	(11,164)	(11,000)	(11,428)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	5,562	(13,373)	155	(5,647)	(6,388)	(5,852)	(11,024)	(11,164)	(11,000)	(11,428)
Capital expenditure & funds sources										
Capital expenditure	1,359	1,519	10,184	11,254	10,804	10,804	10,804	9,144	9,327	9,322
Transfers recognised - capital	1,359	1,519	10,184	11,254	10,804	10,804	10,804	9,144	9,327	9,322
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	1,359	1,519	10,184	11,254	10,804	10,804	10,804	9,144	9,327	9,322
Financial position										
Total current assets	29,106	15,574	19,126	16,446	16,446	16,446	16,446	31,586	33,449	35,289
Total non current assets	41,569	222,720	205,274	235,191	235,191	235,191	235,191	249,773	264,509	279,057
Total current liabilities	17,653	28,690	27,493	27,023	27,023	27,023	27,023	28,698	30,392	32,063
Total non current liabilities	-	-	4,544	-	-	-	-	-	-	-
Community wealth/Equity	53,021	212,704	206,479	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating	6,920	(11,854)	155	(5,648)	(6,388)	(11,578)	(11,578)	(7,961)	(7,779)	(7,784)
Net cash from (used) investing	(1,359)	(1,519)	(10,184)	(11,254)	(10,804)	(10,804)	(10,804)	(9,144)	(9,327)	(9,322)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	8,134	(5,239)	(15,268)	(14,902)	(17,192)	(22,382)	(22,382)	(15,605)	(32,711)	(49,817)
Cash backing/surplus reconciliation										
Cash and investments available	6,330	2,684	663	2,834	2,834	2,834	2,834	3,010	3,187	3,363
Application of cash and investments	(6,019)	15,699	7,559	13,346	13,346	15,479	15,479	(2,706)	(2,881)	(3,192)
Balance - surplus (shortfall)	12,349	(13,015)	(6,896)	(10,512)	(10,512)	(12,645)	(12,645)	5,716	6,068	6,554
Asset management										
Asset register summary (WDV)	41,569	239,932	205,274	210,644	210,644	210,644	237,553	237,553	251,568	265,405
Depreciation & asset impairment	-	8,452	8,366	8,452	8,452	8,452	8,366	8,366	8,366	8,366
Renewal of Existing Assets	-	-	-	2,500	-	-	-	3,250	1,257	3,608
Repairs and Maintenance	282	551	303	2,152	1,302	1,302	1,520	1,520	2,068	1,674
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	30	-	30	30	30	30	30
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

A2 CONSOLIDATED BUDGETED FINANCIAL PERFORMANCE

EC128 Nxuba - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue - Standard										
Governance and administration		29,353	28,602	22,561	18,916	18,916	20,723	25,142	26,459	27,356
Executive and council		-	-	3,472	6,485	6,485	6,485	6,883	7,255	7,647
Budget and treasury office		29,353	28,489	12,733	5,256	5,256	7,063	11,291	11,936	12,040
Corporate services		-	113	6,356	7,175	7,175	7,175	6,967	7,268	7,669
Community and public safety		1,564	1,849	5,240	6,462	4,562	4,565	9,229	9,819	10,788
Community and social services		1,564	1,849	2,258	2,351	2,351	2,351	3,166	3,316	3,510
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	2,199	3,845	1,945	1,948	5,816	6,242	7,003
Housing		-	-	783	266	266	266	248	261	275
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		3,794	7,010	14,690	14,640	14,620	14,620	13,455	12,732	13,123
Planning and development		-	-	3,516	1,972	1,972	1,972	2,416	2,505	2,640
Road transport		3,794	7,010	11,174	12,668	12,648	12,648	11,039	10,227	10,483
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		16,480	17,935	24,272	31,723	31,723	24,723	27,450	30,023	30,730
Electricity		12,696	14,010	18,573	29,588	29,588	22,588	24,964	27,395	27,959
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3,784	3,925	5,698	2,135	2,135	2,135	2,486	2,627	2,771
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	51,191	55,395	66,762	71,741	69,821	64,631	75,276	79,033	81,997
Expenditure - Standard										
Governance and administration		10,863	23,500	15,583	29,488	29,654	29,654	31,927	33,506	34,433
Executive and council		3,119	3,431	3,618	6,195	6,445	6,445	6,640	7,040	7,460
Budget and treasury office		2,297	15,379	3,665	16,867	17,067	17,067	17,861	18,442	18,944
Corporate services		5,447	4,690	8,300	6,425	6,141	6,141	7,426	8,024	8,030
Community and public safety		7,263	6,803	8,948	5,675	5,372	5,372	7,287	7,891	8,156
Community and social services		3,631	3,126	4,638	2,652	2,323	2,323	3,471	3,691	3,926
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1,816	2,114	1,513	2,758	2,795	2,795	3,568	3,936	3,950
Housing		1,816	1,563	2,796	266	254	254	247	263	280
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		11,086	17,832	16,754	17,533	17,418	17,418	17,898	17,696	17,916
Planning and development		7,263	6,253	5,592	2,182	2,265	2,265	2,300	2,438	2,529
Road transport		3,823	11,579	11,162	15,350	15,153	15,153	15,597	15,258	15,387
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		16,418	20,633	25,324	24,693	23,765	23,765	26,126	27,720	29,277
Electricity		14,603	19,069	22,528	22,560	21,857	21,857	23,958	25,414	26,825
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		1,816	1,563	2,796	2,133	1,908	1,908	2,168	2,306	2,452
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	45,630	68,768	66,608	77,389	76,209	76,209	83,237	86,812	89,781
Surplus/(Deficit) for the year		5,560	(13,373)	154	(5,648)	(6,388)	(11,578)	(7,961)	(7,779)	(7,784)

For the 2014/15 financial year the budgeted revenue is R 75 million; this comprises of revenue from grants and own revenue being R 37 million for both. Expenses such as personnel costs, repairs and maintenance and general expenses are R 83 million (excluding capital budget)

A3 CONSOLIDATED BUDGETED FINANCIAL PERFORMANCE (revenue and expenditure by municipal vote)

EC128 Nxuba - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	3,472	6,485	6,485	6,485	6,883	7,255	7,647
Vote 2 - BUDGET AND TREASURY		29,353	28,489	12,733	5,256	5,256	7,063	11,291	11,936	12,040
Vote 3 - CORPORATE SERVICES		131	113	8,092	8,495	8,495	8,495	8,395	8,731	9,212
Vote 4 - COMMUNITY SERVICES		5,349	5,773	10,155	8,331	6,431	6,434	11,467	12,186	13,284
Vote 5 - TECHNICAL SERVICES		16,358	21,019	32,310	43,173	43,153	36,153	37,238	38,925	39,814
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	51,191	55,395	66,762	71,741	69,821	64,631	75,276	79,033	81,997
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE AND COUNCIL		3,119	3,431	3,618	6,195	6,445	6,445	6,640	7,040	7,460
Vote 2 - BUDGET AND TREASURY		2,297	15,379	3,665	16,867	17,067	17,067	17,861	18,442	18,944
Vote 3 - CORPORATE SERVICES		9,078	7,816	11,096	7,741	7,486	7,486	8,817	9,498	9,592
Vote 4 - COMMUNITY SERVICES		7,263	6,803	8,948	7,543	7,026	7,026	9,207	9,934	10,328
Vote 5 - TECHNICAL SERVICES		23,873	35,338	39,282	39,042	38,184	38,184	40,712	41,899	43,458
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	45,630	68,768	66,608	77,389	76,209	76,209	83,237	86,812	89,781
Surplus/(Deficit) for the year	2	5,561	(13,373)	154	(5,648)	(6,388)	(11,578)	(7,961)	(7,779)	(7,784)

A4 CONSOLIDATED BUDGETED FINANCIAL PERFORMANCE (revenue and expenditure)

EC128 Nxuba - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue By Source												
Property rates	2		2,600	2,823	3,094	2,421	2,421	3,110	3,110	3,303	3,498	3,690
Property rates - penalties & collection charges												
Service charges - electricity revenue	2		12,696	14,010	14,950	23,869	23,869	16,344	16,344	16,457	17,428	18,386
Service charges - water revenue	2		-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2		-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2		3,785	3,925	3,962	1,676	1,676	4,327	4,327	4,596	4,867	5,134
Service charges - other												
Rental of facilities and equipment			131	113	117	88	88	88	88	112	118	124
Interest earned - external investments				84	2,708					150	159	168
Interest earned - outstanding debtors			2,391	2,043	-							
Dividends received												
Fines			14	115	29	50	50	37	37	39	41	43
Licences and permits			1,551	1,733	1,953	3,630	1,730	2,064	2,064	5,550	5,907	6,650
Agency services						115	115	115	115	114	120	127
Transfers recognised - operational			20,800	21,702	24,792	28,106	28,086	28,086	28,086	28,157	29,486	29,384
Other revenue	2		3,561	1,836	4,974	650	650	4,181	4,181	4,145	4,389	4,631
Gains on disposal of PPE												
Total Revenue (excluding capital transfers and contributions)			47,529	48,386	56,579	60,605	58,685	58,352	58,352	62,621	66,013	68,337
Expenditure By Type												
Employee related costs	2		16,523	16,319	20,842	22,420	21,887	21,485	27,959	26,830	28,547	30,374
Remuneration of councillors			1,303	1,868	2,032	2,473	2,424	1,957	1,957	2,180	2,307	2,447
Debt impairment	3		-	13,816	88	8,740	8,740	8,740	8,740	8,740	8,740	8,740
Depreciation & asset impairment	2		-	8,452	8,366	8,452	8,452	8,452	8,452	8,366	8,366	8,366
Finance charges			482		337							
Bulk purchases	2		12,787	17,506	19,732	19,242	17,942	17,942	17,942	21,445	22,710	23,960
Other materials	8											
Contracted services			-	-	-	-	-	-	-	-	-	-
Transfers and grants			-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5		14,535	10,806	15,211	16,061	16,764	16,764	15,462	15,677	15,951	15,709
Loss on disposal of PPE												
Total Expenditure			45,630	68,768	66,608	77,388	76,209	75,340	80,511	83,236	86,620	89,595
Surplus/(Deficit)			1,899	(20,382)	(10,029)	(16,783)	(17,524)	(16,988)	(22,160)	(20,615)	(20,608)	(21,258)
Transfers recognised - capital			3,663	7,010	10,184	11,136	11,136	11,136	11,136	9,451	9,608	9,830
Contributions recognised - capital	6		-	-	-	-	-	-	-	-	-	-
Contributed assets												
Surplus/(Deficit) after capital transfers & contributions			5,562	(13,373)	155	(5,647)	(6,388)	(5,852)	(11,024)	(11,164)	(11,000)	(11,428)
Taxation												
Surplus/(Deficit) after taxation			5,562	(13,373)	155	(5,647)	(6,388)	(5,852)	(11,024)	(11,164)	(11,000)	(11,428)
Attributable to minorities												
Surplus/(Deficit) attributable to municipality			5,562	(13,373)	155	(5,647)	(6,388)	(5,852)	(11,024)	(11,164)	(11,000)	(11,428)
Share of surplus/ (deficit) of associate	7											
Surplus/(Deficit) for the year			5,562	(13,373)	155	(5,647)	(6,388)	(5,852)	(11,024)	(11,164)	(11,000)	(11,428)

A5 CONSOLIDATED BUDGETED CAPITAL EXPENDITURE BY VOTE

Choose name from list - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	89	94	99
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	485	35	35	35	150	201	17
Vote 4 - COMMUNITY SERVICES		-	-	-	150	150	150	150	15	16	17
Vote 5 - TECHNICAL SERVICES		1,359	1,519	10,184	10,619	10,619	10,619	10,619	8,978	9,128	9,339
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		1,359	1,519	10,184	11,254	10,804	10,804	10,804	9,232	9,438	9,471
Total Capital Expenditure - Vote		1,359	1,519	10,184	11,254	10,804	10,804	10,804	9,232	9,438	9,471

Of the capital budget an amount of R 8.8million is from MIG for capital projects and R254 000 funded by other revenue is for purchasing of other capital items.

A6 CONSOLIDATED BUDGETED FINANCIAL POSITION

Choose name from list - Table A6 Consolidated Budgeted Financial Position

Choose name from list - Table A6 Consolidated Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Current assets											
Cash		3,000	983	663	1,038	1,038	1,038	1,038	1,096	1,155	1,218
Call investment deposits	1	3,330	1,701	-	1,796	1,796	1,796	1,796	1,897	1,999	2,107
Consumer debtors	1	-	-	13,178	-	-	-	-	-	-	-
Other debtors		22,775	12,591	4,680	13,296	13,296	13,296	13,296	14,041	14,799	15,598
Current portion of long-term receivables											
Inventory	2		300	606	316	316	316	316	333	351	370
Total current assets		29,106	15,574	19,126	16,446	16,446	16,446	16,446	17,366	18,304	19,293
Non current assets											
Long-term receivables											
Investments											
Investment property		360	19,332	2,038	20,414	20,414	20,414	20,414	21,516	22,678	23,903
Investment in Associate											
Property, plant and equipment	3	41,190	203,355	203,192	214,742	214,742	214,742	214,742	226,338	238,560	251,443
Agricultural											
Biological											
Intangible		19	33	1	35	35	35	35	37	39	41
Other non-current assets				44							
Total non current assets		41,569	222,720	205,274	235,191	235,191	235,191	235,191	247,891	261,278	275,387
TOTAL ASSETS		70,674	238,294	224,401	251,637	251,637	251,637	251,637	265,258	279,582	294,679
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		897	361	375	381	381	381	381	402	424	447
Trade and other payables	4	16,756	28,329	27,117	26,642	26,642	26,642	26,642	28,134	29,653	31,254
Provisions											
Total current liabilities		17,653	28,690	27,493	27,023	27,023	27,023	27,023	28,536	30,077	31,701
Non current liabilities											
Borrowing		-	-	26	-	-	-	-	-	-	-
Provisions		-	-	4,518	-	-	-	-	-	-	-
Total non current liabilities		-	-	4,544	-	-	-	-	-	-	-
TOTAL LIABILITIES		17,653	28,690	32,037	27,023	27,023	27,023	27,023	28,536	30,077	31,701
NET ASSETS	5	53,021	209,604	192,364	224,614	224,614	224,614	224,614	236,721	249,504	262,978
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		53,021	212,704	206,479							
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	53,021	212,704	206,479	-	-	-	-	-	-	-

A7 CONSOLIDATED BUDGETED CASH FLOWS

EC128 Nxuba - Table A7 Consolidated Budgeted Cash Flows

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
			26,728	26,683	31,787	32,499	30,599	25,409	25,409	37,668	39,939	42,783
	1		20,800	21,702	24,792	28,106	28,086	28,086	28,086	28,157	29,486	29,384
	1		3,663	7,010	10,184	11,136	11,136	11,136	11,136	9,451	9,608	9,830
Payments												
			(44,271)	(67,249)	(66,608)	(77,389)	(76,209)	(76,209)	(76,209)	(83,237)	(86,812)	(89,781)
			-	-								
	1											
NET CASH FROM/(USED) OPERATING ACTIVITIES			6,920	(11,854)	155	(5,648)	(6,388)	(11,578)	(11,578)	(7,961)	(7,779)	(7,784)
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Payments												
			(1,359)	(1,519)	(10,184)	(11,254)	(10,804)	(10,804)	(10,804)	(9,144)	(9,327)	(9,322)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(1,359)	(1,519)	(10,184)	(11,254)	(10,804)	(10,804)	(10,804)	(9,144)	(9,327)	(9,322)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Payments												
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD			5,561	(13,373)	(10,029)	(16,902)	(17,192)	(22,382)	(22,382)	(17,105)	(17,106)	(17,106)
	2		2,573	8,134	(5,239)	2,000			-	1,500	(15,605)	(32,711)
	2		8,134	(5,239)	(15,268)	(14,902)	(17,192)	(22,382)	(22,382)	(15,605)	(32,711)	(49,817)

In attempts to generate more revenue in the 2014/15 financial year; municipality will do data cleansing, implement its credit control policy and debt collection.

A8 CONSOLIDATED CASH BACKED RESERVES

Choose name from list - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		R thousand									
Cash and investments available											
Cash/cash equivalents at the year end	1	8,134	(5,239)	(15,268)	(14,902)	(17,192)	(17,192)	(17,192)	(8,454)	(17,365)	(26,756)
Other current investments > 90 days		(1,804)	7,923	15,931	17,736	20,026	20,026	20,026	11,447	20,519	30,081
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		6,330	2,684	663	2,834	2,834	2,834	2,834	2,993	3,154	3,325
Application of cash and investments											
Unspent conditional transfers		11,107	3,100	3,314	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(17,126)	12,599	4,244	13,346	13,346	13,346	13,346	14,093	14,854	15,656
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(6,019)	15,699	7,559	13,346	13,346	13,346	13,346	14,093	14,854	15,656
Surplus(shortfall)		12,349	(13,015)	(6,896)	(10,512)	(10,512)	(10,512)	(10,512)	(11,100)	(11,700)	(12,332)

A9 CONSOLIDATED ASSET MANAGEMENT

EC128 Nxuba - Table A9 Consolidated Asset Management

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CAPITAL EXPENDITURE											
Total New Assets		1	1,359	1,519	10,184	8,754	10,805	10,805	5,894	8,070	5,714
Infrastructure - Road transport			1,359	1,519	10,184	5,500	5,881	5,881	1,500	5,000	4,000
Infrastructure - Electricity			-	-	-	-	-	-	1,140	1,000	1,582
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	3,510	3,510	-	-	-
Infrastructure			1,359	1,519	10,184	5,500	9,391	9,391	2,640	6,000	5,582
Community			-	-	-	1,079	1,189	1,189	3,000	1,260	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets		6	-	-	-	2,175	225	225	254	810	132
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets		2	-	-	-	2,500	-	-	3,250	1,257	3,608
Infrastructure - Road transport			-	-	-	-	-	-	2,500	-	-
Infrastructure - Electricity			-	-	-	2,000	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			-	-	-	2,000	-	-	2,500	-	-
Community			-	-	-	500	-	-	750	1,007	3,608
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets		6	-	-	-	-	-	-	-	250	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Capital Expenditure		4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport			1,359	1,519	10,184	5,500	5,881	5,881	4,000	5,000	4,000
Infrastructure - Electricity			-	-	-	2,000	-	-	1,140	1,000	1,582
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	3,510	3,510	-	-	-
Infrastructure			1,359	1,519	10,184	7,500	9,391	9,391	5,140	6,000	5,582
Community			-	-	-	1,579	1,189	1,189	3,750	2,267	3,608
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets			-	-	-	2,175	225	225	254	1,060	132
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		2	1,359	1,519	10,184	11,254	10,805	10,805	9,144	9,327	9,322
ASSET REGISTER SUMMARY - PPE (WDV)											
Infrastructure - Road transport		5									
Infrastructure - Electricity						24,709	24,709	24,709	-	-	-
Infrastructure - Water											
Infrastructure - Sanitation											
Infrastructure - Other			41,190	220,567	203,192	142,844	142,844	142,844	215,790	228,521	241,090
Infrastructure			41,190	220,567	203,192	167,553	167,553	167,553	215,790	228,521	241,090
Community						21,886	21,886	21,886			
Heritage assets					44	46	46	46	46	49	52
Investment properties			360	19,332	2,038	20,414	20,414	20,414	21,680	22,959	24,222
Other assets						710	710	710	-	-	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			19	33	1	35	35	35	37	39	42
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5	41,569	239,932	205,274	210,644	210,644	210,644	237,553	251,568	265,405
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment			-	8,452	8,366	8,452	8,452	8,452	8,366	8,366	8,366
Repairs and Maintenance by Asset Class		3	282	551	303	2,152	1,302	1,302	1,520	2,068	1,674
Infrastructure - Road transport			-	-	-	800	500	500	500	800	546
Infrastructure - Electricity			-	-	-	1,200	650	650	750	830	875
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			-	-	-	2,000	1,150	1,150	1,250	1,630	1,421
Community			-	-	-	-	-	-	-	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets		6, 7	282	551	303	152	152	152	270	439	253
TOTAL EXPENDITURE OTHER ITEMS			282	9,003	8,669	10,604	9,754	9,754	9,886	10,434	10,040
Renewal of Existing Assets as % of total capex			0.0%	0.0%	0.0%	22.2%	0.0%	0.0%	35.5%	13.5%	38.7%
Renewal of Existing Assets as % of deprecn			0.0%	0.0%	0.0%	29.6%	0.0%	0.0%	38.8%	15.0%	43.1%
R&M as a % of PPE			0.7%	0.3%	0.1%	1.0%	0.6%	0.6%	0.7%	0.9%	0.7%
Renewal and R&M as a % of PPE			1.0%	0.0%	0.0%	2.0%	1.0%	1.0%	2.0%	1.0%	2.0%

A10 CONSOLIDATED BASIC SERVICE DELIVERY MEASUREMENT

Choose name from list - Table A10 Consolidated basic service delivery measurement

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Household service targets	1									
Water:										
Piped water inside dwelling										
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	4									
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)										
Flush toilet (with septic tank)										
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)					500		500	600	650	700
Electricity - prepaid (min.service level)					3,000		3,000	3,300	3,400	3,500
Minimum Service Level and Above sub-total		-	-	-	3,500	-	3,500	3,900	4,050	4,200
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	3,500	-	3,500	3,900	4,050	4,200
Refuse:										
Removed at least once a week					1,434		1,434	1,700	1,800	1,900
Minimum Service Level and Above sub-total		-	-	-	1,434	-	1,434	1,700	1,800	1,900
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	1,434	-	1,434	1,700	1,800	1,900
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)					50		50	50	50	50
Refuse (removed at least once a week)										
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)		-	-	-	-	-	-	-	-	-
Highest level of free service provided										
Property rates (R value threshold)					8		8	9	9	10
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)					50		50	50	50	50
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)					15		15	15	15	15
Property rates (other exemptions, reductions and rebates)					15		15	15	15	15
Water										
Sanitation										
Electricity/other energy										
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	-	-	-	30	-	30	30	30	30

SUPPORTING TABLES

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS

Section 53 of the MFMA requires the Speaker/Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide preparation of the budget. In addition Chapter 2 of the municipal budgeting reporting regulations states that the Speaker/Mayor of the municipality must establish a budget steering committee to provide technical assistance to the Speaker/Mayor in discharging the responsibilities set out in section 53 of the ACT.

The budget steering committee consists of Municipal Manager and senior officials .The primary aim of budget steering committee is to ensure:

- That the processes used to compile the budget complies with legislation and good budget practices,
- That there is proper alignment between the policy and service delivery priorities set out in the IDP and the budget

2.1.1 Budget process review

In terms of section 21 of the MFMA the Speaker/Mayor is required to table in council 10 months before the start of a budget year a schedule that sets out processes to revise the IDP and prepare the budget.

The Speaker/Mayor tabled in council the schedule on the 15 August 2013.The table below details of the plan

IDP PHASES	DELIVERABLE AND PROCESS MANAGEMENT	DATES
Preparation phase	IDP/BUDGET Steering committee meeting	31 July 2013
	IDP/Budget/PMS Rep Forum	14 August 2013
	Tabling of the IDP and Budget Process Plan to Council	15 August 2013

	Advertisement of IDP and Budget Process Plan	22 august 2013
	Workshop for the analysis phase	29 August 2013
Analysis Phase	Mayoral road show	05,09,11 & 13 Sept 2013
	IDP/Budget steering committee meeting : Report back from the community	20 Sept 13
	IDP/PMS/Budget Rep Forum	26 Sept 13
	IDP/Budget Steering Committee: Consideration, review and inclusion of any relevant and new information	08 Oct 2013
	Status of the implementation progress: 1 st quarter review	10,11,14 & 15 Oct 13
	IDP Cluster	22-23 Oct 13
	IDP/Budget Steering Committee	06 Nov 13
	IDP/PMS/Budget Representative Forum & IGR Meeting	12 Nov 13

Strategies Phase	Workshop on the IDP Strategic Phase	21 Nov 2013
	IDP/Budget Steering Committee: Preparation of budget framework to provide parameters and request budget inputs	26 Nov 2013
	IDP Cluster	5-6 December 2013
	IDP/Budget Steering Committee: Status of the implementation progress: 2 nd quarter review and progress report on the preparation of the Strategic Planning .	14 -15 Jan 14
	Strategic Planning Session: Refining municipal Strategies, Objectives, KPA's, KPI's and targets so as to influence the budget	29-31 Jan14
	IDP/Budget Steering Committee: Confirm contents of the IDP	04 Feb 14
	IDP/PMS/Budget Representative Forum & IGR	18 Feb 14
	Project Prioritization	27 Feb 14
	Tabling of the Draft IDP and Budget	11 Mach 14
	Submit to MEC :DLGTA	13 March 14
	Advertise for public to comment on the Draft IDP/Budget	13 March 14

Integration/Approval Phase	Status of the implementation progress: 3 rd quarter review	8-11 April 14
	IDP/Budget Steering Committee: Drafting of Service Delivery and Budget Implementation Plan(SDBIP),preparations for IDP /Budget Public Hearings: consider	17 April 14
	IDP /Budget Public Hearings	23-24 April 14
	IDP/Budget Steering Committee: Consider inputs preparing for final adoption of IDP/Budget	30 April 14
	IDP/PMS/Budget Representative Forum: Present IDP /Budget	15 May 14
	Tabling of the Final Draft IDP and Budget and Draft SDBIP	27 May 14
	Advertise the adopted documents :IDP, Budget & SDBIP	28 May 14

Implementation of the process plan ensures stakeholders participate in the formulation of the budget and IDP. Consultation with the various stakeholders provided meaningful information in assisting the municipality in delivery services to the community.

2.2 OVERVIEW OF THE ALIGNMENT OF ANNUAL BUDGET AND IDP

A municipal IDP provides a 5 year strategic programme of action plan aimed at setting short, medium and long term strategies and budget priorities to create a development platform. The plan aligns the resources and the capacity of the municipality to its overall development aims and guides the municipal budget.

Municipal Action plan

Each phase of the IDP process will be initiated by a Steering Committee meeting, followed by IDP Cluster then to a Representative meeting. This will allow both Nxuba Local Municipality internally, as well as Local Stakeholders to give clear direction to activities required in the phase.

Representative Forum meetings will be held quarterly and these will be scheduled to facilitate community participation and relevant input to the IDP development process.

Each phase of the budget process will entail submission and approval by the IDP/Budget Steering committee before submission and approval by Council. When the operational plans over the MTREF are complete, as well as the reviews and development of budget related policies, the financial plans should be compiled. These financial plans are costs of implementing the IDP. Included in the financial plan should be three-year projections of capital and recurrent expenditure. The medium term financial planning approach will ensure that all strategies developed as part of the IDP are integrated into the funding basket.

Infrastructure budgets (chiefly financed by MIG) should indicate the following segments:

- New Infrastructure
- Refurbishment and Rehabilitation
- Upgrading and Additions and
- Maintenance and Repairs (Current) if applicable

The annual budget will contain the following minimum information as per section 17 of the Municipal Finance Management Act:

- Anticipated revenue from each revenue source
- Appropriation of expenditure for the budget year under the different departments/votes
- Indicative revenue per revenue source and projected expenditure by department/vote for the two financial years following the budget year
- Estimated revenue and expenditure by department/vote for the current year

- Actual revenue and expenditure by department/vote for the financial year preceding the current year
- Any statement for the relevant information appropriate as per section 215(3) of the Constitution
- Division of budget into capital and operating items as may be prescribed
- Draft Resolutions approving the budget and any other revenue tariffs
- Measurable performance objectives for revenue from each source and for each department, taking into account the IDP

After the stakeholder consultations and public participation processes, relevant amendments will be effected to the annual budget, thus making it to become the final budget proposal for submission to Council for approval.

The table below (SA5) depicts alignment of the IDP and the budget.

EC128 Nxuba - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating exp						
Strategic Objective	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand						
To strengthen Organizational capacity building of the municipality by 2017	200	200	200	150	158	167
To promote local economic development and job creation	20	20	20	10	11	11
Marketing of Nxuba as a Tourist destination of choice by 2015	50	50	50	40	42	44
To support SMME and Corporative development by 2017	40	40	40	30	32	33
To ensure mainstreaming of vulnerable groups into municipal programmes	100	50	50	100	105	111
To ensure that all stakeholders participate in the affairs of the municipality by 2017	15	15	15	10	11	11

2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Municipal finance management act and municipal systems act are built on the adoption by the municipality of a performance system. A municipality must ensure all performance is managed and there is a clear process to monitor and review. The Municipal Scorecard Model is a conceptual framework that is used which provides guidance as to what aspects of the municipality's performance should be measured and managed. The model has proved useful in performance management for it provides balance, simplicity, mapping of inter – relationships and alignment to the Integrated Development Planning processes of the municipalities. The municipality strives to develop smart objectives and indicators.

The SDBIP is used to measure performance of each directorate and quarterly reviews are done after departments have submitted their portfolio of evidence. The constant review of performance enables a pro-active and takes remedial steps in the event of poor performance. Performance agreements of senior managers are derived from the SDBIP. The municipality intends to cascade performance to lower levels.

2.4 OVERVIEW OF BUDGET RELATED POLICIES

The purpose of policies is to ensure there are controls and procedures in place that are not in contravention with the Acts. The policies harmonize the environment and regulate the municipality.

The following budget related policies have been reviewed in the 2012/13 financial year:

Budget policy

The objective of the budget policy is to set out:

The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget,

The responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget

To establish and maintain procedures to ensure adherence to Nxuba Municipality's IDP review and budget processes.

To provide the Nxuba Municipality with the necessary work documentation and procedures to ensure that the Municipality is in a position to compile, implement, control and report on the annual budget of the Municipality as prescribed by the best practices, act and internal workflows.

The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control. A municipality's budget policy and its underlying administrative process within the system of delegations is one of these controls. It is the responsibility of each Head of Department (S57 managers) to which funds are allocated, to plan and conduct assigned operations so as not to expend more funds than budgeted and to ensure that allocated funds are utilized economically, effectively and efficiently and for approved purpose(s).

Credit control policy

To ensure council collects all debts in respect of rates and service fees. Provide for credit control and debt collection procedures and mechanisms.

This strategy further seeks to explore other sources of revenue to enhance the financial muscle of the municipality. Such service includes the provision of learner licenses as well as driver's licenses through the traffic department. In trying to address some national priorities and infrastructure challenges, the municipality has gone on tender for service providers to source funds for the municipality.

Asset management policy

Asset Management promotes efficient and effective management, monitoring and control of assets and the objectives of having an Asset Management Policy are:

- To ensure accurate recording of asset information.
- To ensure the accurate recording of asset movements.
- To ensure compliance with Council's Insurance Policy, Supply Chain Management Policy and Payment Procedure.
- To ensure the effective and efficient control, utilisation, optimisation of usage, safeguarding and management of NLM's assets.
- To ensure that all responsible parties are aware of their roles and responsibilities regarding the assets of the municipality.
- To prescribe the accounting treatment of assets acquired and used in accordance with the applicable accounting standards approved by National Treasury.

Rates policy

- 1.1 Municipal Property Rates Act (2004) requires municipalities to develop and adopt rates policies consistent with the Act on the levying of rates on ratable property in the municipality.
- 1.2 The municipality needs a reliable source of revenue to provide basic services and perform its functions. Property rates are the most important source of general revenue for the municipality. Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households. These include installing and maintaining streets, roads, sidewalks, lighting, and storm drainage facilities; and building and operating clinics, parks, recreational facilities and cemeteries. Property rates revenue is also used to fund municipal administration, such as computer equipment and stationery, and costs of governance, such as council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDPs) and municipal budgets.

2.5 Overview of budget assumptions

The municipality has high rate of indigent; its ability to generate revenue is restricted due to this. The cash flow is affected negatively which results in the inability to pay creditors on time. Various strategies and plans have been put in place to ensure collection rates increase. These are factors taken into consideration in the annual budget 2014/15 financial year:

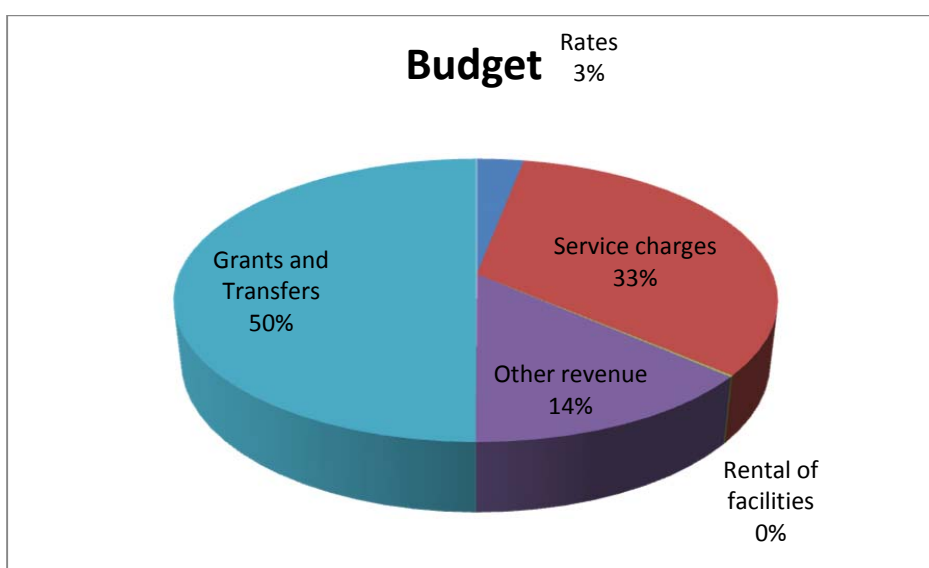
- Increase in the bulk purchases (electricity)
- Inflation forecasts
- Increase in the employee costs

2.6 OVERVIEW OF BUDGET FUNDING

Operating revenue

The municipality derives its income mainly from grants from National and Provincial government and service charges. The municipality tried to adopt a conservative approach when projecting expected revenue. Below is a table and a graph which depicts the entire budgeted revenue from sources.

	Budget	%
Rates	2255449	3%
Service charges	25093630	33%
Rental of facilities	112000	0%
Other revenue	10206509	14%
Grants and Transfers	37608000	50%
Total	75275588	100%



Nxuba municipality has a low revenue base; due to high indigence which hinders the municipality from collecting revenue. The municipality has a cash flow predicament as 50% of its income is from grants ,33% from service charges and 14% other revenue.

2.7 SA19 EXPENDITURE ON TRANSFERS AND GRANT PROGRAMME

Choose name from list - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		1,359	1,519	24,270	27,467	27,447	27,447	27,523	29,486	29,384
Local Government Equitable Share				20,983	22,307	22,307	22,307	23,789	26,569	26,266
Finance Management		806	602	1,500	1,650	1,650	1,650	1,800	1,950	2,100
Municipal Systems Improvement		523	9	797	890	890	890	934	967	1,018
EPWP Incentive				990	1,000	1,000	1,000	1,000		
Integrated National Electrification Programme					1,620	1,600	1,600			
Other transfers/grants [insert description]		30	908							
Provincial Government:		-	-	522	639	639	639	634	-	-
Sport and Recreation				522	522	522	522	522		
Local economic development					117	117	117	112		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants		1,359	1,519	24,792	28,106	28,086	28,086	28,157	29,486	29,384
Capital expenditure of Transfers and Grants										
National Government:		-	7,010	10,184	11,136	11,136	11,136	9,451	9,608	9,830
Municipal Infrastructure Grant (MIG)		-	7,010	10,184	11,136	11,136	11,136	9,451	9,608	9,830
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		-	7,010	10,184	11,136	11,136	11,136	9,451	9,608	9,830
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1,359	8,529	34,976	39,242	39,222	39,222	37,608	39,094	39,214

SA 20 RECONCILIATION OF TRANSFERS, GRANT RECEIPTS AND UNSPENT FUNDS

Choose name from list - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year				214						
Current year receipts		20,800	21,702	24,270	27,467	27,447	27,447	27,523	29,486	29,384
Conditions met - transferred to revenue		20,800	21,702	24,452	27,467	27,447	27,447	27,523	29,486	29,384
Conditions still to be met - transferred to liabilities				32						
Provincial Government:										
Balance unspent at beginning of the year				-						
Current year receipts				522	639	639	639	634	-	-
Conditions met - transferred to revenue		-	-	522	639	639	639	634	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		20,800	21,702	24,974	28,106	28,086	28,086	28,157	29,486	29,384
Total operating transfers and grants - CTBM	2	-	-	32	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year				3,600						
Current year receipts		3,663	7,010	11,729	11,136	11,136	11,136	9,451	9,608	9,830
Conditions met - transferred to revenue		3,663	7,010	10,183	11,136	11,136	11,136	9,451	9,608	9,830
Conditions still to be met - transferred to liabilities				5,146						
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		3,663	7,010	10,183	11,136	11,136	11,136	9,451	9,608	9,830
Total capital transfers and grants - CTBM	2	-	-	5,146	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		24,463	28,712	35,157	39,242	39,222	39,222	37,608	39,094	39,214
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	5,178	-	-	-	-	-	-

2.8 SA22 SUMMARY COUNCILLOR AND STAFF BENEFITS

EC128 Nxuba - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		1,303	1,868	2,032	1,688	1,686	1,501	1,533	1,632	1,736
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance					659	609	435	505	538	572
Cellphone Allowance					126	128	112	112	119	127
Housing Allowances										
Other benefits and allowances								29	31	33
Sub Total - Councillors		1,303	1,868	2,032	2,473	2,423	2,049	2,180	2,319	2,467
% increase	4		43.3%	8.8%	21.7%	(2.0%)	(15.5%)	6.4%	6.4%	6.4%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		901	867	1,325	2,164	2,164	1,762	2,843	3,025	3,219
Pension and UIF Contributions				57	5	5	5	9	9	10
Medical Aid Contributions					51	51	51			
Overtime										
Performance Bonus								255	271	289
Motor Vehicle Allowance	3			153	153	59	59			
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3	824	837	270	342	342	342	0	0	0
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		1,725	1,704	1,804	2,714	2,620	2,218	3,108	3,307	3,518
% increase	4		(1.2%)	5.9%	50.4%	(3.4%)	(15.3%)	40.1%	6.4%	6.4%
Other Municipal Staff										
Basic Salaries and Wages		10,885	11,444	12,576	15,277	14,672	14,672	17,998	19,150	20,376
Pension and UIF Contributions		1,709	2,513	3,656	2,090	2,421	2,421	2,813	2,994	3,185
Medical Aid Contributions		595			657	639	639	827	880	936
Overtime		23		3						
Performance Bonus										
Motor Vehicle Allowance	3		489	491	54	54	54	56	60	63
Cellphone Allowance	3				4	4	4	5	5	5
Housing Allowances	3	37	33	33	32	13	13	25	26	28
Other benefits and allowances	3	1,548	135	2,170	1,592	1,463	1,463	1,998	2,126	2,262
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		14,798	14,614	18,929	19,707	19,267	19,267	23,722	25,240	26,856
% increase	4		(1.2%)	29.5%	4.1%	(2.2%)	-	23.1%	6.4%	6.4%
Total Parent Municipality		17,826	18,186	22,765	24,893	24,310	23,533	29,009	30,866	32,841

Circular 72 states that employee costs should be increased by 6.79%, the municipality also took into account the notch increment in projecting the salaries. A performance bonus for section 56 managers and appointment of new personnel has increased the salary budget enormously. In the 2013/14 financial year budget employee costs amounted to R24 million but in the 2014/15 it has increased to R29 million.

EC128 Nxuba - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Page 30

2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

EC128 Nxuba - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue By Source																
Property rates		203	273	273	290	297	291	293	273	282	273	293	258	3,303	3,498	3,690
Property rates - penalties & collection charges													-	-	-	-
Service charges - electricity revenue		1,100	1,126	1,666	1,495	1,656	1,016	1,126	2,096	1,126	1,598	1,296	1,152	16,457	17,428	18,386
Service charges - water revenue													-	-	-	-
Service charges - sanitation revenue													-	-	-	-
Service charges - refuse revenue		362	396	388	395	397	370	365	390	398	395	358	382	4,596	4,867	5,134
Service charges - other													-	-	-	-
Rental of facilities and equipment		5	7	9	10	11	12	9	9	8	13	9	10	112	118	124
Interest earned - external investments			30		30			30			30		30	150	159	168
Interest earned - outstanding debtors													-	-	-	-
Dividends received													-	-	-	-
Fines		2	3	4	4	3	4	4	4	2	4	3	2	39	41	43
Licences and permits		468	407	436	426	436	601	446	436	556	473	446	421	5,550	5,877	6,577
Agency services		10	9	11	8	10	8	9	13	6	11	10	10	114	120	127
Transfers recognised - operational		9,386				9,386				9,386			0	28,157	29,486	29,384
Other revenue		125	1,000	273	332	132	132	1,010	92	101	112	132	702	4,145	4,389	4,631
Gains on disposal of PPE													-	-	-	-
Total Revenue (excluding capital transfers and contributions)		11,660	3,252	3,061	2,990	12,327	2,435	3,292	3,313	11,865	2,910	2,548	2,967	62,621	65,983	68,264
Expenditure By Type																
Employee related costs		2,236	2,236	2,236	2,236	2,236	2,236	2,236	2,236	2,236	2,236	2,236	2,235	26,830	28,547	30,374
Remuneration of councillors		182	182	182	182	182	182	182	182	182	182	182	181	2,180	2,307	2,447
Debt impairment													8,740	8,740	8,740	8,740
Depreciation & asset impairment													8,366	8,366	8,366	8,366
Finance charges													-	-	-	-
Bulk purchases		1,949	1,949	1,849	1,849	1,849	1,549	1,649	1,649	1,649	1,849	1,849	1,723	21,357	22,617	23,861
Other materials													-	-	-	-
Contracted services													-	-	-	-
Transfers and grants													-	-	-	-
Other expenditure		1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	1,306	15,677	15,951	15,709
Loss on disposal of PPE													-	-	-	-
Total Expenditure		5,672	5,672	5,572	5,572	5,572	5,272	5,372	5,372	5,372	5,572	5,572	22,551	83,148	86,527	89,496
Surplus/(Deficit)																
Transfers recognised - capital		5,988	(2,421)	(2,511)	(2,582)	6,755	(2,838)	(2,080)	(2,059)	6,493	(2,662)	(3,024)	(19,584)	(20,527)	(20,544)	(21,232)
Contributions recognised - capital		3,150				3,150				3,150			0	9,451	9,608	9,830
Contributed assets													-	-	-	-
Surplus/(Deficit) after capital transfers & contributions																
Taxation		9,138	(2,421)	(2,511)	(2,582)	9,905	(2,838)	(2,080)	(2,059)	9,643	(2,662)	(3,024)	(19,584)	(11,076)	(10,936)	(11,402)
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	9,138	(2,421)	(2,511)	(2,582)	9,905	(2,838)	(2,080)	(2,059)	9,643	(2,662)	(3,024)	(19,584)	(11,076)	(10,936)	(11,402)

2.10 CONSOLIDATED BUDGETED MONTHLY CAPITAL EXPENDITURE

EC128 Nxuba - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - EXECUTIVE AND COUNCIL													-	-	-	-
Vote 2 - BUDGET AND TREASURY													-	-	-	-
Vote 3 - CORPORATE SERVICES													-	-	-	-
Vote 4 - COMMUNITY SERVICES													-	-	-	-
Vote 5 - TECHNICAL SERVICES													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - EXECUTIVE AND COUNCIL		30			30			30					0	89	94	99
Vote 2 - BUDGET AND TREASURY													-	-	-	-
Vote 3 - CORPORATE SERVICES			75				75						-	150	201	-
Vote 4 - COMMUNITY SERVICES		15											-	15	16	17
Vote 5 - TECHNICAL SERVICES					1,111	2,223		2,223		2,223		1,111	0	8,890	9,017	9,207
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital single-year expenditure sub-total	2	45	75	-	1,141	2,223	75	2,252	-	2,223	-	1,111	0	9,144	9,327	9,322
Total Capital Expenditure	2	45	75	-	1,141	2,223	75	2,252	-	2,223	-	1,111	0	9,144	9,327	9,322

SA 34 A CONSOLIDATED CAPITAL EXPENDITURE ON NEW ASSETS BY ASSET CLASS

EC128 Nxuba - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure			1,359	1,519	10,184	5,500	9,391	9,391	2,640	6,000	5,582
Infrastructure - Road transport			1,359	1,519	10,184	5,500	5,881	5,881	1,500	5,000	4,000
Roads, Pavements & Bridges			1,359	1,519	10,184	5,500	5,881	5,881	1,500	5,000	4,000
Storm water											
Infrastructure - Electricity			-	-	-	-	-	-	1,140	1,000	1,582
Generation											
Transmission & Reticulation											
Street Lighting									1,140	1,000	1,582
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Dams & Reservoirs											
Water purification											
Reticulation											
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Reticulation											
Sewerage purification											
Infrastructure - Other			-	-	-	-	3,510	3,510	-	-	-
Waste Management											
Transportation	2										
Gas											
Other	3						3,510	3,510			
Community			-	-	-	1,079	1,189	1,189	3,000	1,260	-
Parks & gardens											
Sportsfields & stadia						1,079	-	-	1,500	1,260	
Swimming pools											
Community halls							1,189	1,189			
Libraries											
Recreational facilities									1,500		
Fire, safety & emergency											
Security and policing											
Buses	7										
Clinics											
Museums & Art Galleries											
Cemeteries											
Social rental housing	8										
Other											
Heritage assets			-	-	-	-	-	-	-	-	-
Buildings											
Other	9										
Investment properties			-	-	-	-	-	-	-	-	-
Housing development											
Other											
Other assets			-	-	-	2,175	225	225	254	810	132
General vehicles						280	-	-			
Specialised vehicles			-	-	-	-	-	-	-	-	-
Plant & equipment											
Computers - hardware/equipment						35	35	35	115	78	56
Furniture and other office equipment						360	190	190	109	183	77
Abattoirs											
Markets											
Civic Land and Buildings											
Other Buildings						1,500	-	-		500	
Other Land											
Surplus Assets - (Investment or Inventory)											
Other									30	50	-
Agricultural assets			-	-	-	-	-	-	-	-	-
List sub-class											
Biological assets			-	-	-	-	-	-	-	-	-
List sub-class											
Intangibles			-	-	-	-	-	-	-	-	-
Computers - software & programming											
Other (list sub-class)											
Total Capital Expenditure on new assets	1		1,359	1,519	10,184	8,754	10,805	10,805	5,894	8,070	5,714

SA 34 B CAPITAL EXPENDITURE ON EXISTING ASSETS

EC128 Nxuba - Supporting Table SA34b Consolidated capital expenditure on existing assets by asset class

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital expenditure on renewal of existing assets by Asset Class/Sub-class											
Infrastructure			-	-	-	2,000	-	-	2,500	-	-
Infrastructure - Road transport			-	-	-	-	-	-	2,500	-	-
Roads, Pavements & Bridges									2,500		
Storm water											
Infrastructure - Electricity			-	-	-	2,000	-	-	-	-	-
Generation											
Transmission & Reticulation						2,000	-	-			
Street Lighting											
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Dams & Reservoirs											
Water purification											
Reticulation											
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Reticulation											
Sewerage purification											
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Waste Management											
Transportation	2										
Gas											
Other	3										
Community			-	-	-	500	-	-	750	1,007	3,608
Parks & gardens											
Sportsfields & stadia						500	-	-	750	1,007	500
Swimming pools											
Community halls											
Libraries											
Recreational facilities											
Fire, safety & emergency											
Security and policing											
Buses	7										
Clinics											
Museums & Art Galleries											
Cemeteries											1,608
Social rental housing	8										1,500
Other											
Heritage assets			-	-	-	-	-	-	-	-	-
Buildings											
Other	9										
Investment properties			-	-	-	-	-	-	-	-	-
Housing development											
Other											
Other assets			-	-	-	-	-	-	-	250	-
General vehicles											
Specialised vehicles			-	-	-	-	-	-	-	-	-
Plant & equipment											
Computers - hardware/equipment											
Furniture and other office equipment											
Abattoirs											
Markets											
Civic Land and Buildings											
Other Buildings										250	
Other Land											
Surplus Assets - (Investment or Inventory)											
Other											
Agricultural assets			-	-	-	-	-	-	-	-	-
List sub-class											
Biological assets			-	-	-	-	-	-	-	-	-
List sub-class											
Intangibles			-	-	-	-	-	-	-	-	-
Computers - software & programming											
Other (list sub-class)											
Total Capital Expenditure on renewal of existing	1		-	-	-	2,500	-	-	3,250	1,257	3,608

Since the municipality is unable to repair its assets from internally generated funds, R3, 2 million from MIG will be used to refurbish existing assets.

SA 34 C CONSOLIDATED REPAIRS AND MAINTENANC BY ASSET CLASS

EC128 Nxuba - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	2,000	1,150	1,150	1,250	1,630	1,421
Infrastructure - Road transport		-	-	-	800	500	500	500	800	546
Roads, Pavements & Bridges					800	500	500	500	800	546
Storm water										
Infrastructure - Electricity		-	-	-	1,200	650	650	750	830	875
Generation										
Transmission & Reticulation					800	250	250	500	530	559
Street Lighting					400	400	400	250	300	317
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation	2									
Gas										
Other	3									
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		282	551	303	152	152	152	220	379	190
General vehicles					100	100	100	150	305	168
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment								20	21	22
Computers - hardware/equipment					2	2	2			
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings					50	50	50	50	53	-
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		282	551	303						
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	50	60	63
Computers - software & programming								50	60	63
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	282	551	303	2,152	1,302	1,302	1,520	2,068	1,674

Repairs should be 8% of PPE but due to financial resources the municipality is unable to provide such a budget. An allocation of R1 520 000 which is 0.6% of the PPE has been allocated.

QUALITY CERTIFICATE

I, _____, Municipal Manager of Nxuba Municipality hereby
certify that –

The annual budget for 2014/2015 financial year has been prepared in accordance with
the Municipal Finance Management Act and municipal budgeting reporting regulations
made under the ACT.

Print Name: _____

Municipal Manager of Nxuba Municipality (EC128)

Signature: _____

Date: _____